



Selecting New Business Systems

Part 1: Understand Your Needs and Requirements

Congratulations! You and your team have successfully built a growing business. You have a high demand product, loyal customers, and dedicated employees. Life is GREAT! Your **reward** is that you get to figure out how to keep it all running. Good Luck!

As your business continues to grow, it becomes more and more challenging to manage. You discover that with a larger product mix and higher volume, things get complicated. So you add staff to keep up with all the work. But this adds to overhead, and nobody likes overhead. Furthermore, you find that the up-to-date data required to manage the business is becoming harder and harder to obtain.

Eventually, you discover that the monster you've created is running out of control. Finally, you admit that you need a system to accommodate the added volume and complexity of your business. But where do you start?

In this three part series I will give you a roadmap for the steps you should take. Each section will address a different aspect of a new system.

- 1 - Understand your needs and requirements.
- 2 - Prepare yourself and your people.
- 3 - Research and choose a system.

The first part of this series focuses on steps you should take internally to understand the needs and requirements of your business. This is important not only for identifying challenges you are experiencing today, but for identifying requirements for future growth as well. It's important that you accomplish these steps before you begin working with a vendor.

Here are four major things to consider:

1. Start by analyzing the key processes and workflows within your organization. Understand how these processes work today, as well as how you want them to evolve in the future. A new system should allow your existing processes to operate, but also offer you the flexibility to modify your processes in the future, as you see fit.



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2. As you analyze your key business processes, try to identify unique elements that exist in your industry or organization. For example, virtually everyone needs to print invoices, but complex pricing calculations may be unique only to your situation.
3. Identify who the users of your system will be, and what type of security access they will need. Which individuals will need read-only capabilities, which ones will need full access? Does this group include only the staff in a single office, a few connected offices, or is there a larger group that requires remote access via outside portals
4. Identify your reporting requirements both internally and externally. This includes the obvious periodic financial reports as well as internal reporting requirements for operations and production. Confirm that a new system can produce these reports. Can the reports be modified to meet the unique requirements of your business model?

The first step to selecting a new system is to identify and understand the business processes and workflows that are to be implemented. This is true no matter which system you choose. In my next issue I'll discuss several important factors that are common to successful system implementations.

Part 2: Prepare Yourself and Your People

Selecting new software can be a daunting and challenging task. The investment you'll be making is substantial, to say the least. In my previous article, I discussed steps you should take internally to understand the needs and requirements of your business. It is important that you do this before you begin working with a vendor.

In this issue, I discuss steps you should take to make sure you're prepared for the implementation *adventure* you're about to embark on. The decision you're about to make is one you'll have to live with for a while, so make sure you're ready. Choosing the right system will make your business easier to run and easier to grow; choosing the wrong system can mean headaches, waste, even missed deadlines, and potentially loss of customers.

Here are some steps you can take to make sure that you're prepared:

1. Consider that you are choosing a partner, not just a software package. The working relationship you have with the vendor will be critical as you move through the various phases of an implementation. This is also true after the implementation as you experience turnover in your staff, and future upgrades to your system.
2. Understand the various models offered by the vendor for supporting you and your staff as you use the new system. This support may be provided by a local reseller, by the vendor itself, or both. Is this support adequate to fulfill your needs? Is it too much?

3. Understand the learning curve you and your staff will experience. Try to choose a system that is intuitive to end-users to help reduce the overall learning curve.
4. The upper management of your organization should be integrally involved in this process. Without it, the project may lose focus or fall to a low priority. Ensuring that management is behind a project is a key component affecting the success of any implementation project.

Now that you're prepared, you can start examining vendors. Part 3 of this series will focus on steps to take and questions to ask during this process. In summary, you should consider any factor that affects the success of your organization, and the ability to achieve your mission. Factors that promote your success should always be considered.

Part 3: Research and Choose a System

What questions should you ask when searching for a new system? In my previous articles, I discussed steps you should take before meeting with vendors. These steps focused on understanding your needs and requirements as well as preparing yourself and your organization.

In this article, I discuss steps you should take when researching and meeting with vendors. In my experience, these are the factors that should be considered as you seek out, examine, and select a new system for your business.

I've listed below some considerations that have worked well for my customers. You should consider these areas as key components of your research and selection process.

1. Try to understand the ROI of your investment. What efficiencies or improvements will be realized by a new system, and how soon will they be accomplished? What's the payback period?
2. Find out the capabilities for extending the system beyond your current requirements. This will be important as your business model grows. This refers to the scalability of the solution.
3. What import/export capabilities exist in the system? In our information-saturated world, this is becoming more and more critical.
4. Report, reports, reports. Understand the capabilities of the new system for ad-hoc reporting. Can users create reports on the fly, or does report development require involving IT staff and developers?
5. Research any additional sources of support that may exist for the new system. These can include user groups (live or virtual), online searchable databases, blogs, user manuals, pilot systems, etc. Plug yourself into the appropriate networking circles and talk to others that are using the same system.



6. Get and check references. This seems obvious, but is often overlooked.
7. Finally, address the technical aspects. You need to be sure that you have the proper hardware infrastructure to run the new system. Identify the hardware requirements of the new system, and the costs of modifying your existing infrastructure to meet those requirements.

By following these steps, you can ensure the new system will be a proper fit for your business.

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